

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL MEMORANDUM

SB 905 – HB 1824

April 16, 2009

SUMMARY OF AMENDMENT (006447): Deletes Section One of the bill in its entirety. Beginning in FY10-11, each local education agency (LEA) shall pay a minimum percentage of each support or nonprofessional employee's insurance premium, with the percentage being set by the General Assembly. Open enrollment period shall take place for two weeks in August 2010. Requires LEAs to provide information to these employees regarding insurance policies prior to the open enrollment period.

FISCAL IMPACT OF ORIGINAL BILL:

Increase Local Expenditures - \$3,000,000*

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions applied to amendment:

- The General Assembly will set a LEA payment percentage floor of 30 percent for this classification of employee.
- The 33 LEAs currently not paying 30 percent of either individual or family coverage will not be paying that amount in FY10-11. These LEAs will be required to increase their payments.
- No change to the BEP formula.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director

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